GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:784
ANSWERED ON:29.02.2000
IMPORT OF UREA
UMMAREDDY VENKATESWARLU

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether fertilizer import has been increased by more than 10% during 1999-2000;

(b) if so, the details thereof,

(c) whether the Government propose to initiate for import of cheaper fertilizer;

(d) if so, the details thereof; and

(e) the steps taken to reduce the over flow of foreign exchange?

Answer

THE MINISTER OF STATE IN THE MINSTRY OF FERTILIZERS

(Shri Ramesh Bais)

(a) & (b) Urea is the only fertilizer which is under statutory price, movement and distribution control. The import of urea are made on Government account. The other major fertilizers DAP and MOP have been decontrolled sinceAugust, 1992 and were decanalized with effect from 17.9.1992 and 17.6.1993, respectively. Their imports are made on private trade account. The imports of urea, DAP and MOP in 1998-99 and 1999-2000 (upto January 2000) have been as under:

(figure in lakh MTs)

Year	Urea	DAP	MOP	Total
1998-99	5.56	21.05	25.70	52.31
1999-2000	5.33	31.48	26.18	62.99

According to the available information
Thus while imports of urea have decreased, the imports of DAP and MOPhave increased by 49.55% and 1.87%, respectively. The decline of imports of urea in 1999-2000 has been due to the increase in domestic production. Against target of 175.27 lakh MTs, cumulative production of urea in the current financial year (upto 13th February) has been 175.54 lakh MTs.
(c) to (e) Imports of urea are made to bridge the gap between the indigenous availability and the demand. They are made through three canalizing agencies, namely, MMTC, STC and Indian Potash Limited (IPL) whoprocure it at the internationally competitive prices. In regard to decontrolled fertilizers, their imports are free and are made looking to their requirement and affordability within the rates of concession and Maximum Retail Price, determined under the Concession Scheme of the Government.